

MONTANA STATE HEMP PROGRAM

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2023 INDOOR/OUTDOOR HEMP LICENSE APPLICATION - Stage 1

Application deadline: Outdoor - May 30, 2023 / Indoor - No deadline • Valid through December 31, 2023

For applicants intending to grow within tribal boundaries, please note updated licensing requirements in the Instructions.

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APPLICANT INFORMATION	ON (see ins	structions	for comple	etion of this	s form)	Provide	your	previously i	ssued	l Licen	se Number: MTSH	IP-	
Business Name Secre							cretary of State Number				EIN Number		
Last Name							First Name					MI	
Physical Address						City ST ZIF				ZIP	County	1	
Mailing Address					City			ST	ZIP				
Phone			Cell Phone)				Email					
NAMES and TITLES of KE	Y PARTIC	IPANTS											
Full Name			Title			Phone			Ema	Email			
Full Name			Title			Phone			Ema	Email			
Full Name			Title			Phone			Ema	Email			
Full Name			Title			Phone			Ema	Email			
Seed/Live Plant Source	e and Ve	rificatio	n - Comp	lete the i	informa	ation for	eac	h variety a	ınd s	train	vou are applyi	ng to gro	ow. all
information and attach			•										
			Units Grow										
Variety/Strain	Quantity	ntitv		Туре		Name of Licensed			License Numl (of Seed Dealer		Ci	eed or Live	
variety, strain	Quui	icicy	Acres or	Outdoor or		Seed Dealer or Nursery			Ύ		Nursery)		lants?
			Plants	Indoor									
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ATTESTATION STATEM		-	-										
correct. Persons who v 18-101 through 80-18-					-	-		•		_	• •		
related properties by d								_			_		
agree to the conditions	outlined	in the ac	company	ing Risk Ad	cknowle	dgement	Stat	ement.					
Applicant Printed Name:							Applicant Title:						
Applicant Signature:								Da	ite:				



2023 INDOOR/OUTDOOR HEMP LICENSE APPLICATION - Stage 1

Seed/Live Plant Source and Verification form (page 2, optional)

Complete the information for <u>each</u> variety and strain you are applying to grow, all information and attachments are											
<u>required</u> . Only use this page if necessary. See more detailed instructions on page 4.											
Variety/Strain	Quantity	Units	Grow Type	Name of Licensed	License Number	Seed or Live Plants?					
	Quantity	Acres or Plants	Outdoor or Indoor	Seed Dealer or Nursery	(of Seed Dealer or Nursery)						



Montana State Hemp Program 2023 Risk Acknowledgment Statement

The Agriculture Improvement Act of 2018 (2018 Farm Bill, Section 10113) directs the U.S. Department of Agriculture (USDA) to provide states desiring to have primary regulatory authority over the production of hemp the opportunity to submit state plans for approval. In 2022, the Montana Department of Agriculture implemented its USDA approved State Hemp Plan in compliance with the 2018 Farm Bill and the Final Rule, 7 CFR part 990 (effective March 22, 2021).

Cannabis plants and products produced from "Category C" strains may not follow the 2018 Farm Bill or federal hemp regulations. The Montana Department of Agriculture will allow planting of "Category C" strains during the 2023 growing season but does not guarantee or certify that these plants and products are included in the definition of hemp under the federal Agriculture Improvement Act of 2018. Any license holder planting seeds or clones or processing hemp products from "Category C" strains acknowledge and agrees to the following conditions:

- 1. Any and all parts of "Category C" Cannabis sativa L. plants, whether growing or not, may be considered marijuana under state, local, or federal jurisdictions within and outside of the state of Montana.
- 2. Any license holder electing to plant "Category C" strains who violates any part of the state plan with a culpable mental state greater than negligence shall be reported to USDA and federal and state law enforcement officials.
- 3. Any law enforcement actions related to the integrity of "Category C" hemp strains are the sole responsibility of the grower, supplier, and landowner.
- 4. No liability shall attach to the Montana Department of Agriculture or to any officer or representative of the department with respect to "Category C" Cannabis strains.
- 5. Remediation options for Cannabis strains grown for CBD production and testing greater than 0.3% Total THC no longer include chemical or physical extraction and/or dilution of THC.

In addition, all hemp license holders planting seeds, clones, possessing hemp plants, or processing hemp products acknowledge and agrees to the following conditions:

- 1. Hemp varieties or strains planted and developed in the United States prior to 2016 may not be compliant with the 2018 Farm Bill or federal hemp regulations.
- 2. The department may request lab report results from any known *Cannabis* testing lab in Montana.
- 3. Plants and products that exceed the hemp Total THC threshold of 0.3% will be reported by the license holder to the department immediately and a corrective action plan developed.
- 4. THC is tested in Montana using the federally required post-decarboxylation method, meaning the component measured to determine the compliance of hemp is Total THC, which includes THCa.
- 5. The purchase and planting of non-certified or non-labeled seed includes inherent risk to the quality of the seed, the genetics, and the potential of elevated THC levels of the crop produced.
- 6. Per federal regulations, a criminal history report is required to be completed for license applicants and key participants to determine program eligibility. Hemp program participation requires no prior convictions of felony charges related to a controlled substance in the previous 10 years.
- 7. Each license holder must report hemp crop acreage to the USDA Farm Service Agency (FSA) and report FSA assigned Lot Numbers to the department via the Hemp Planting Report.

-End of Risk Acknowledgment Statement-



INSTRUCTIONS

The hemp license application is to apply for the growing of hemp for the calendar year in which it is issued, whether growing outdoors or indoors. This application must be completed by an individual or an authorized company representative. Application does not constitute licensure until final approval. Applications will not be processed until all required information is received.

Tribal Reservation Boundaries: The state of Montana does not have authority over hemp grown within the boundaries of tribal reservations. That authority rests with the tribal nation on the reservation or the U.S. Department of Agriculture (USDA), depending on the status of the resident tribe's hemp plan. **Any person interested in growing hemp within reservation boundaries, whether a tribal member or not, must contact the resident tribal nation or the USDA to request information on hemp licensing requirements.** Questions related to jurisdictional authority and USDA requirements for licensing can be emailed to farmbill.hemp@usda.gov. Contact information for tribal nations within Montana can be found at https://tribalnations.mt.gov/tribalnations.

The department issues hemp licenses in two (2) progressive stages. Upon approval of this application, eligible applicants will be issued a <u>Planting Permit</u> so they may purchase seed or live plants and plant or transplant hemp. To receive full licensure, the applicant <u>must</u> submit a <u>Planting Report</u> confirming information about the crop that was planted. Successful candidates will be issued the second stage <u>Production License</u>. The Production License allows for the production and harvest of compliant hemp. Any applicant that does not meet the conditions of the Production License will forfeit their Planting Permit and the crop will require destruction. Prior to applying for a Planting Permit, an applicant should review the Stage 2 requirements for receiving the full license on the department's website.

Applicant Information: The application must be completed in its entirety, including printed name, date, and signatures. The licensed entity can be a single individual with or without a business. A Business Name is only required if licensing as a registered business. If a business name is included, you <u>must</u> provide the Business License Number on file with the Montana Secretary of State's Office. Businesses are also required to list its EIN number.

Key Participants: If licensing as a business, provide the full name, title, contact information and fingerprints for each key participant. Key Participant is defined as "a person or persons who have a direct or indirect financial interest in the entity producing hemp, such as an owner or partner in a partnership. A key participant also includes a person in a corporate entity at executive levels including the chief executive officer, chief operating officer, and chief financial officer. This does not include other management positions like farm, field, or shift managers".

Criminal History Report Requirement: In accordance with the 2018 Farm Bill and the Final Rule, 7 CFR Part 990 (effective March 22, 2021), the department must review a criminal history report for all new applicants (you are considered a new applicant if you were not licensed in 2022), to determine eligibility for participation in the hemp program. To meet this requirement, department procedures include an FBI Identity History Summary (IHS) be submitted for all individual applicants and, if the application is for a business entity, for each key participant. In order to obtain an Identity History Summary applicants must submit a request to the FBI. IHS reports must be dated within 60 days of the application and mailed to the department directly from the FBI. Hemp program participation requires no prior convictions of felony drug charges in the previous 10 years. For more information on how to complete this process, visit https://www.fbi.gov/services/cjis/identity-history-summary-checks.

Seed/Live Plant Source and Verification: The department has developed four risk-based categories of hemp cultivars. The cultivar you choose will determine the level of review your application receives and the level of testing of your crop. All cultivars that meet the definitions of Category A, B or C are allowed to be planted. Visit the department's hemp website for more information on hemp categories and the complete list of Category A and B varieties.

The application must include for <u>each</u> variety or strain the quantity of land area or number of plants requested to be permitted, the grow type, name and license number of the seed provider or nursery from which you obtained plants, and an indication of your purchase: Seed or Live Plants. A copy of the seed label (provided to you by the seed provider) is required for each Category A and B variety. For Category C strains, a copy of the seed label or the Certificate of Analysis (COA) is required.

Variety or strain and location changes made after the application is processed will be subject to a \$50/request change fee. Contact Mikayla Moore to request the Change Request form.



The person providing seed and/or live plants to a Montana grower must be licensed to distribute into Montana - seed providers must be licensed in Montana; nurseries must be licensed in their resident state. Growers who purchase <u>live plants</u> must submit a copy of the provider's resident state hemp license and verification of variety/strain (nursery label, seed label or COA) and be aware of live plant importation requirements. For more information on these requirements, please visit our website at https://agr.mt.gov/Topics/Seed, https://agr.mt.gov/Hemp.

Fees: Licensees who plant a Category C strain are required to pay the \$1,100 license fee. This fee includes the initial inspection and testing of the first Category C sample. A \$250 testing fee will be required for each additional sample and a \$250 inspection/sampling fee will be required for each additional inspection.

Licensees who plant only Category A or B varieties are required to pay the \$850 license fee. The initial inspection fee and the first sample testing fee is waived. A \$250 testing fee will be required for each additional sample and a \$250 inspection/sampling fee will be required for each additional inspection.

Regardless of Category planted, growers who request sampling (e.g., insurance claim) will be charged the standard \$250 inspection fee and the standard \$250 testing fee. The department may assess a processing fee of \$100 for any late or incomplete documentation associated with the licensing process and a change fee of \$50 for a request for each new cultivar or location associated with a previously processed license application. Checks should be written to the Montana Department of Agriculture. Credit card payments can be made by contacting Mikayla Moore, processing fees will apply.

Mail To: Montana Department of Agriculture - State Hemp Program, PO Box 200201, Helena, MT 59620-0201

For additional assistance, visit our website at https://agr.mt.gov/Hemp or contact Mikayla Moore at (406) 444-5430 or by email at Mikayla.Moore@mt.gov.

Reporting Requirements:

<u>Harvest Notification</u> - Each license holder is responsible for contacting the department a minimum of 30 days prior to harvest to confirm actual harvest date and schedule a pre-harvest inspection.

<u>FSA Reporting</u> - Each license holder is required to report their hemp growing locations and acreage to the USDA Farm Service Agency (FSA) prior to submitting the Stage 2 Hemp Planting Report to the department.

<u>Annual Hemp Harvest/Disposal Report</u> - Each licensee must annually submit a report listing the harvest and disposal of any hemp grown by the licensee.

A licensee must keep all records related to the planting, growing, harvesting, storage, disposal, sale and/or processing of hemp, and make those records available for inspection for a minimum of three years.

Additional information on each of these reporting requirements can be found on our website at https://agr.mt.gov/topics/h-m/hemp-pages/Reporting